UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1 to

FORM 10-KSB

(Mark One)
[X] ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2005.

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ________ to ________

COMMISSION FILE NUMBER: 0-17232

SORELL, INC.

(Exact name of small business issuer in its charter)

Nevada	**86-0914695**
(State or jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Buk-ri 35, Nama-Myun, Yongin City,
Gyeonggi-do, Republic of Korea.

(Address of principal executive offices) (Zip Code)

Registrant's telephone number: 82-31-329-8700

Netmeasure Technology, Inc.
118 Howe Street
Victoria, B.C. V8V 4K4
(Former name, former address and former fiscal year, if changed since last report)

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act:
Common Stock, $0.001 Par Value

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. [ ]

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB [ ].

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
YES [ ] NO [X]

State Issuer's revenues for its most recent fiscal year: $41,619,260

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computer by reference to the price at which the common equity was sold, or the average bid price of such common equity, as of a specified date within the past 60 days (see definition of affiliate in Rule 12b-2 of the Exchange Act.)

As of March 31, 2005, the Registrant had 21,325,568 shares of common stock issued and outstanding held by non-affiliates with a value based on the bid price on April 13, 2006 of $1.40 totaling $51,181,363.

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: The issuer has 29,539,900 shares of common stock outstanding as of April 15, 2006.

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PART I.

ITEM 1. DESCRIPTION OF BUSINESS.

Introduction

Sorell, Inc. ("Sorell") is in the business of manufacturing, research and development and sales of consumer electronics. Sorell's product line includes mobile phones, MP3 players, MP3 CD Players, Portable Media Players ("PMP") players, mobile cameras and other devices.

Business Overview

Sorell, Inc. ("Sorell") was incorporated in Nevada on May 4, 1998. The Company's executive management team are: Bon Kwan Koo, Chairman and Chief Executive Officer, Seung Nam Yang, Chief Financial Officer, and Ho Yu, Chief Technical Officer. As described below under "Company History," Sorell was incorporated under the name Netmeasure Technology, Inc. and changed its name in 2005 in connection with the acquisition of S-Cam Co., Ltd., a Korean private company ("S-Cam"). S-Cam is the operating subsidiary of Sorell.

S-Cam was established in October 1998 as a divestiture from Samsung Electronics. S-Cam was initially formed to produce the 8mm digital camcorder when Samsung discontinued those operations. S-Cam launched its operations in December 1998 with the production of the CCTV camera, and in 2000 developed 8mm digital camcorders with Samsung and begun production of digital camcorders and digital cameras.

Sorell's current operating subsidiary is S-Cam, which has grown substantially since its inception, growing to $1.43 million in capital in June 2000, $3 million in capital in July 2002 and approximately $8 million in shareholders equity at December 31, 2004. Sales also grew, from $10 million in exports in 2002, $30 million in exports in 2003 and $100 million in exports in 2004.

Sorell's product line expanded to include MP3 players and CD/MP3 players beginning in 2002. This has become a substantial component of Sorell's business, particularly in exports. In June 2003, the Company launched a mobile phone production line. The Company continues to develop new models of its products for growth, including a new MP3 CD Player in 2003, and a new MP3 player based on flash memory and our Portable Multimedia Player ("PMP"), both in 2004.

Products of the Company

The following is a timeline of major developments in our product history:

Oct. 1998	Establishment of S-Cam Co. Ltd
Feb. 1999	Manufacturing Digital Camcorders and Digital Cameras
Jan. 2001	Manufacturing MP3 players for "Yepp" (Samsung Electronics Brand)
Dec. 2001	Establishment of Research and Development Center
Aug. 2002	Development of the SMP-140, an MP3 CD Player
Feb. 2003	Development of the SMP-200, an MP3 CD Player
May 2003	Development of the K889, a GSM Phone

Nov. 2003	Development of the SF 1000/1100, MP3 Players; and SMP 300, an MP3 CD Player
Dec. 2004	Development of the SV-10, a PMP
Jan. 2005	Development of the SF3000, an MP3 Player
Jun. 2005	Development of the SV-10, a PMP
Oct . 2005	Development of Digital Convergence products (PMP + Navigation + DMB+etc), including the NF-1 and DN-10

PMP (Portable Multimedia Player)

PMP supports and plays back almost every video file format including DivX, Xvid, MPEG1(VCD), MPEG2(DVD). The PMP is also a combination of an MP3 player and a DVD player, with the option to add a camera for Camcorder and still camera functionality. The Company's PMP product is a major part of the Company's product line, along with its mobile phones. Because of the product's capability to easily expand to include different software applications, the Company can continue to incorporate new innovations into the PMP, such as wireless internet and Global Positioning Satellite ("GPS") functionality. Management believes that the PMP will be the standard product to incorporate all types of portable media.

MP3Player

With the expansion of the internet, downloading music from internet music stores like Napster and Yahoo music has became very popular to the younger generation, and the MP3 player has effectively become a digital "Walkman." The Company's various MP3 players support MP3, WMA and OGG music files. We offer MP3 players with flash memory ("Flash type"), hard disk drives ("HDD type"), or both. HDD type MP3 players have been popular in the United States and Europe, while Flash type MP3 players, which can be much smaller, are more popular in Asia. Flash type MP3 players now typically have as high as 1GB and 2GB flash memory, which provides for substantial music storage.

Mobile Phones

The Company's mobile phone unit has three lines that can produce 150,000 units a month.

<u>Electronics Industry Outlook</u>

We believe the PMP industry is poised for significant growth, as audio and video content becomes more readily available. This proliferation of content enables mass market PMP adoption. According to an In-Stat market research report, PMPs appeal to a wide audience, including commuters, travelers, parents and children, with projected worldwide shipments growing to 7.5 million units in 2009 from 2 million units in 2006. In-Stat also estimates that worldwide revenues from PMP sales will grow to $2 billion by 2009 from $783 million in 2006.

As more lawful sources of video content become available, and as these devices evolve to address different customer segments, we believe PMPs will gain further market appeal, as we have seen in the portable MP3 player market.

The current trend for the PMP market is to converge Personal Digital Assistants ("PDAs"), Digital Cameras, digital dictionaries, Portable TVs, and possibly even GPS into the same device. Despite this kind of convergence of many different functions in one device, PMP is considered a suitable platform with adequate memory capacity. In 2006 and thereafter, the Company plans to be a market leader in the portable multimedia product market through the development of new generation technology such as DAB, Car MP3 Players, and PMPs with portable internet.

According to IDC reports, the total PMP market was 530,000 units worldwide in 2004, 1,350,000 units in 2005, and is projected to be 4,040,000 units in 2006. The market size is growing exponentially.

The current trend in MP3 players is to add an FM radio and a voice recorder, and possibly even MP4 playback functions. Mobile phones with MP3 player functionality have decreased in market share in Korea during the last year. However, market share for this type of MP3 player/mobile phone combination worldwide has shown consistent growth. According to IDC reports, the worldwide MP3 player market was 730,000,000 units in 2004. 1 billion units in 2005, and projected to be 1.2 billion units in 2006. Potential annual growth of 20% to 30% is expected.

With a significant drop in price for flash memory, MP3 Players became "must-haves" for the younger generation, much like mobile phones. The reduction in price and substantial increase in demand has prompted larger companies like Samsung and Apple to launch MP3 players, and their efforts have further expanded the market. However, the entry of these industry giants, with notable economies of scale, has adversely affected the competitive ability of small and medium-sized companies, which had been able grow significantly in the years where there was no big name brand in the market.

Research and Development

We believe the timely development and introduction of new products are essential to maintaining our competitive position and our ability to capitalize on market opportunities. Our research and development efforts are focused on developing new and expanded PMP, MP3 and other handheld devices. At the end of fiscal 2005, we had approximately 20 employees engaged in research and development activities. Research and development expenses were $1.5 million and $ 2 million in fiscal 2005 and 2004, respectively. None of our research and development is directly customer funded. We have historically focused much of our personnel and resources on research and development. Our research and development activities are focused on bringing our PMP and MP3 products to production as well as on developing next generation products. We are also developing new technologies that will improve the quality of multimedia applications on our handheld devices. We plan to continue innovating and improving the functionality of our products.

The Company's research and development department has been very competitive, producing proven new technologies in camcorders, MP3/CD Players and MP3 players. Approximately 50% of the Company's researchers came from Samsung Electronics.

Manufacturing

The Company's manufacturing facilities employ precision mounting technology for its SMT product line and a strong optical application technology for its zoom lens production. Thorough quality control is implemented in its precision assembly of camcorders, digital cameras, MP3 players, web pad, mobile phones and other products. The Company's line management is flexible to meet customers' requests, including frequent model changes experienced in the industry. The Company manufactures models for original equipment manufacturers ("OEM") (more than 20 different models) on fixed lines to keep high quality and productivity. The Company's mobile phone unit has three lines that can produce 150,000 units per month. The Company's manufacturing factory is located in Yongin City, Korea and is 275 square meters.

The Company contracts with third parties for fabrication and assembly of printed circuit boards. Management believes there are a number of acceptable vendors for the components purchased. The Company regularly evaluates suppliers for quality, dependability and cost effectiveness. In some instances the Company utilizes sole-source suppliers to develop strategic relationships to enhance the quality of materials and save costs. Manufacturing processes are controlled by an ISO 9001-certified quality standards program.

Sales and Marketing

We primarily sell our products to manufacturers of handheld devices using our internal sales and marketing personnel, a global network of distributors and sales representatives and our management team. We focus on developing long-term customer relationships with customers. Our sales and marketing strategy is an integral part of our effort to become a leading supplier of handheld devices. To meet customer requirements and achieve design wins, our sales and marketing personnel work closely with our customers, business partners and key industry trendsetters to define product features, performance, price, and market timing of new products. We employ a sales and marketing organization with a high level of technical expertise and product and industry knowledge to support a lengthy and complex process.

Competition

The market for PMPs, MP3 players and other handheld devices is intensely competitive and is characterized by rapid technological change, evolving industry standards and declining average selling prices. We believe that the principal factors of competition in this market are performance, price, features, power consumption, size and customer support. Our ability to compete successfully depends on a number of factors, including success in designing and manufacturing new products that implement new technologies, product quality and reliability, price, quickly setting up production of our products, customer demand and acceptance of more sophisticated multimedia functionality on mobile phones and other handheld devices, end-user acceptance of our customers’ products, market acceptance of competitors’ products, and general economic conditions. Our ability to compete will also depend on our ability to identify and ensure compliance with evolving industry standards and market trends.

We compete with both domestic and international companies, some of which have substantially greater financial and other resources than us with which to pursue engineering, manufacturing, marketing and distribution of their products. We may also face increased competition from new entrants into the market including companies currently at developmental stages. We believe we have significant intellectual property, and have historically demonstrated expertise in our technology. However, a lesser ability than our larger competitors to introduce timely new products for our market, to support these products in customer programs, or to manufacture these products could have a material adverse effect on our business, financial condition and operating results.

The PMP market is presently dominated and expanded primarily by Korean companies with a strong technology background and constant development through new raw materials. Our competitors include Apple, Raincom, Samsung, Archas, and Creative. They have already launched PMP products and are developing new ones for a young generation that is responsive to visual entertainment.

The Company has been very competitive by jointly purchasing parts with Samsung Electronics, which has improved margins.

Intellectual Property

Our success depends in part on our proprietary technology and know-how. We rely primarily on a combination of patent, trade secret and copyright laws and restrictions on access to protect our products, trade secrets and proprietary rights. We enter into confidentiality agreements with our suppliers and customers when we disclose proprietary information to them. In addition, we enter into confidentiality agreements and assignment of invention agreements with certain of our employees and consultants.

The Company has registered, and/or has applied to register, trademarks and service marks in Korea for “Sorell”.

Many of the Company’s products are designed to include intellectual property obtained from third-parties such as Microsoft, Ingenient technologies and Sisvel.

We have registered the www.sorell.co.kr internet domain name.

Government Regulation

Our manufacturing operations are subject to various laws governing the protection of the environment and our employees. These laws and regulations are subject to change, and any such change may require us to improve technology or incur expenditures to comply with such laws and regulations.

We are subject to compliance with the Korean commercial Law and Fair Trading Regulation. Products for exports are subject to Foreign Trade Regulations.

Seasonal Business

The Company has historically experienced increased net sales in its third and fourth fiscal quarters compared to other quarters in its fiscal year due to seasonal demand related to the holiday season and the beginning of the school year. This historical pattern should not be considered a reliable indicator of the Company's future net sales or financial performance.

Warranty

The Company offers a basic limited parts and labor warranty on its hardware products. The basic warranty period for hardware products is typically one year from the date of purchase by the end-user. In addition, consumers may purchase extended service coverage on most of the Company's hardware products in all of its major markets.

Environmental Laws

Compliance with Domestic and foreign laws enacted for the protection of the environment has to date had no material effect on the Company's capital expenditures, earnings, or competitive position. In the future, these laws could have a material adverse effect on the Company.

Production and marketing of products in certain states and countries may subject the Company to environmental and other regulations including, in some instances, the requirement that the Company provide consumers with the ability to return to the Company product at the end of its useful life, and place responsibility for environmentally safe disposal or recycling with the Company.

Employees

As of December 31, 2005, we employed a total of 120 full-time employees, including 20 in research and development, 20 in engineering, 8 in sales and marketing, 57 in manufacturing and 15 in administration, and an additional 80 temporary employees and contractors. We also employ, from time to time, a number of temporary and part-time employees as well as consultants on a contract basis. Our employees are not represented by a collective bargaining organization.

Headquarters

The Company's headquarters and factory is located in Yongin City, Korea and is 275 square meters.

Company History

Sorell, Inc. was originally incorporated in Nevada on May 4, 1998 as Powertech, Inc. and subsequently changed its name toNetMeasure Technology, Inc. ("NetMeasure"). As of February 12, 1999, the company neither owned nor leased any real or personal property, and had no specific business plan other than to engage in a merger or acquisition with an unidentified company.

On February 12, 1999, the Company (then NetMeasure) purchased all the issued and outstanding shares of NetMeasure Technology Inc., a Canada corporation ("NetMeasure Canada"), which was formerly named NetSentry Technology, Inc. Because it was not able to secure the necessary financing to continue operations, on April 24, 2001 the Company announced that it entered into an agreement to sell all the assets of NetMeasure Canada to Tisai Inc., a Delaware corporation ("Tisai"), whose CEO was a former Division Manager with Hewlett Packard. However, Tisai was unable to secure the necessary funds to complete the sale and the Company was forced to discontinue its development and marketing activities at the end of August 31, 2001. From that period, the Company had no operations.

S-Cam Co Ltd. ("S-Cam") was organized in Korea in October 1998 as a divestiture from Samsung Electronics. S-Cam was initially formed to produce the 8mm digital camcorder when Samsung discontinued those operations. The business and operations described herein are principally the business of S-Cam's operations in Korea.

Pursuant to a Share Exchange Agreement dated as of July 12, 2005, between the Company (then NetMeasure) and S-Cam, the Company acquired (the "Acquisition") from the shareholders of S-Cam all of the issued and outstanding equity interests of S-Cam (the "S-Cam Shares") and S-Cam became a wholly-owned subsidiary of the Company. As consideration for the S-Cam Shares, the Company issued 23,305,000 shares of common stock to the shareholders, and issued an additional 845,000 shares in finders' fees. After the Acquisition, the Company continued the operations of S-Cam as its primary operating business, and changed its name to Sorell, Inc.

Risk Factors

We Expect to Continue to Incur Losses and Consume Cash in Operations in the Fiscal Year Ending December 31, 2006

We have been incurring substantial losses and consuming cash in operations. This is expected to continue during the fiscal year ending December 31, 2006. Our ability to achieve cash flow breakeven is likely to depend on the success of our products. However, even if the products achieve widespread customer acceptance, the length of the marketing and sales process would preclude substantial product shipments in the fiscal year ending December 31, 2006. Accordingly, even if these new products are successful, we are likely to incur significant additional losses and consume cash in operations.

We Are Likely To Need Additional Capital

We are likely to require additional working capital to fund our business. We believe that our existing capital resources will be sufficient to meet our capital requirements through at least the end of our fiscal year ending December 31, 2006. However, we expect we will need to raise additional capital to fund future operating activities beyond this fiscal year. Our future capital requirements will depend on many factors, including the rate of net sales growth, timing and extent of spending to support research and development programs in new and existing areas of technology, expansion of sales and marketing support activities, and timing and customer acceptance of new products. Our ability to raise capital and the terms of any financing will depend, in part, on our ability to establish customer engagements and generate sales. As discussed below, revenue performance is difficult to forecast. We cannot assure that additional equity or debt financing, if required, will be available on acceptable terms or at all.

Our Revenues Are Difficult To Predict

For a variety of reasons, revenues are difficult to predict and may vary significantly from quarter to quarter. Our ability to achieve design wins depends on a number of factors, many of which are outside of our control, including changes in the customer's strategic and financial plans, competitive factors and overall market conditions. The difficulty in forecasting revenues increases the difficulty in forecasting our working capital requirements. It also increases the likelihood that we may overproduce particular products, resulting in inventory charges, or under produce particular products, affecting our ability to meet customer requirements.

We Depend on Qualified Personnel

Our future success depends in part on the continued service of our key engineering, sales, marketing, manufacturing, finance and executive personnel, and our ability to identify, hire and retain additional personnel. There is strong competition for qualified personnel in our industry, and we cannot assure you that we will be able to continue to attract and retain qualified personnel necessary for the development of our business. We have experienced the loss of personnel through headcount reductions and attrition. All our executive officers are employees "at will". We do not maintain key person insurance on any of our personnel. If we are not able to maintain key personnel, if our headcount is not appropriate for our future direction, or if we fail to recruit key personnel critical to our future direction in a timely manner, this may have a material adverse effect on our business, financial condition and results of operations.

We Face Intense Competition in Our Markets

The market for our products is intensely competitive and is characterized by rapid technological change, evolving industry standards and declining average selling prices. We believe that the principal factors of competition in this market are performance, price, features, power consumption, size and customer support. Our ability to compete successfully in the market depends on a number of factors, including success in designing and manufacturing new products that implement new technologies, product quality and reliability, price, ramp of production of our products, customer demand and acceptance of more sophisticated functionality on mobile phones and other handheld devices, end-user acceptance of our customers' products, market acceptance of competitors' products and general economic conditions. Our ability to compete will also depend on our ability to identify and ensure compliance with evolving industry standards and market trends.

We compete with both domestic and international companies, some of which have substantially greater financial and other resources than us with which to pursue engineering, manufacturing, marketing and distribution of their products. We may also face increased competition from new entrants into the market, including companies currently at developmental stages. We believe we have significant intellectual properties and have historically demonstrated expertise. However, our inability to introduce timely new products for our market, to support these products in customer programs, or to manufacture these products could have a material adverse effect on our business, financial condition and operating results.

Our Products May be Incompatible with Evolving Industry Standards and Market Trends

Our ability to compete in the future will also depend on our ability to identify and ensure compliance with evolving industry standards and market trends. Unanticipated changes in market trends and industry standards could render our products incompatible with products developed by major hardware manufacturers and software developers. As a result, we could be required to invest significant time and resources to redesign our products or obtain license rights to technologies owned by third parties to comply with relevant industry standards and market trends. We cannot assure you that we will be able to redesign our products or obtain the necessary third-party licenses within the appropriate window of market demand. If our products are not in compliance with prevailing market trends and industry standards for a significant period of time, we could miss crucial cycles, which could result in a material adverse effect on our business, financial condition and results of operations.

We Depend on New Product Development to Meet Rapid Market and Technological Change

We are focused on providing emerging technology in primarily handheld devices. New product planning is focused on products for handheld devices that integrate multimedia technologies. Our future business, financial condition and results of operations will depend to a significant extent on our ability to develop new products that address these market opportunities. As a result, we believe that significant expenditures for research and development will continue to be required in the future.

We must anticipate the features and functionality that consumers will demand, incorporate those features and functionality into products, price our products competitively and introduce new products to the market on a timely basis. The success of new product introductions is dependent on several factors, including proper new product definition, timely completion and introduction of new product designs, the ability to create or acquire intellectual property, the ability to effectively manufacture new products, quality of new products, differentiation of new products from those of our competitors and market acceptance of our products. We cannot assure you that the products we expect to introduce will incorporate the features and functionality demanded by consumers, will be successfully developed, or will be introduced within the appropriate window of market demand.

Uncertainty and Litigation Risk Associated with Patents and Protection of Proprietary Rights

We rely in part on patents to protect our intellectual property. We cannot assure you that our pending patent applications, or any future applications, will be approved. Further, we cannot assure you that any issued patents will provide us with significant intellectual property protection, competitive advantages, or will not be challenged by third parties, or that the patents of others will not have an adverse effect on our ability to do business. In addition, we cannot assure you that others will not independently develop similar products, duplicate our products or design around any patents that may be issued to us.

We Depend on Foreign Sales and Suppliers

Export sales have been a critical part of our business. Sales to customers located outside of Korea (including sales to customers in the United States) accounted for a substantial component of our product revenue for fiscal 2005, and 2004. We expect that product revenue derived from foreign sales will continue to represent a significant portion of our total product revenue. Foreign sales are subject to a variety of risks, including fluctuations in currency exchange rates, tariffs, import restrictions and other trade barriers, unexpected changes in regulatory requirements, longer accounts receivable payment cycles, potentially adverse tax consequences and export license requirements. In addition, we are subject to the risks inherent in conducting business internationally including foreign government regulation, political and economic instability, and unexpected changes in diplomatic and trade relationships. Moreover, the laws of certain foreign countries in which our products may be developed, manufactured or sold, may not protect our intellectual property rights to the same extent as do our current protections, thus increasing the possibility of piracy of our products and intellectual property. We cannot assure you that one or more of these risks will not have a material adverse effect on our business, financial condition and results of operations.

Our Financial Results Could Be Affected by Changes in Accounting Principles

Generally accepted accounting principles in the United States are subject to interpretation by the Financial Accounting Standards Board (FASB), the American Institute of Certified Public Accountants, the Securities and Exchange Commission (SEC) and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and could affect the reporting of transactions completed before the announcement of a change.

Our Stock Price May Be Volatile

The market price of our Common Stock, like that of other emerging companies, has been and is likely to continue to be, highly volatile. The market has from time to time experienced significant price and volume fluctuations that may be unrelated to the operating performance of particular companies. The market price of our Common Stock could be subject to significant fluctuations in response to various factors, including sales of our common stock, quarter-to-quarter variations in our anticipated or actual operating results, announcements of new products, technological innovations or setbacks by us or our competitors, general conditions in our industry, unanticipated shifts in markets for handheld devices or changes in industry standards, losses of key customers, litigation commencement or developments, the impact of our financing activities, including dilution to shareholders, changes in or the failure by us to meet estimates of our performance by securities analysts, market conditions for high technology stocks in general, and other events or factors. In future quarters, our operating results may be below the expectations of public market analysts or investors.

Increased tensions with North Korea could adversely affect our business, financial condition and results of operations.

Relations between Korea and North Korea have been tense over most of Korea's modern history. The level of tension between Korea and North Korea has fluctuated and may increase or change abruptly as a result of current and future events, including ongoing contacts at the highest levels of the governments of Korea and North Korea. The level of tension between Korea and North Korea, as well as between North Korea and the United States, has increased as a result of a public announcement that North Korea possesses nuclear weapons and has declared that it will not participate in the six-party talks with Korea, the United States, China, Japan and Russia. Since then, the parties to the six-party talks have individually and collectively attempted to persuade North Korea to rejoin the six-party talks aimed at disarming the North Korea's nuclear weapons program. There can be no assurance that the level of tensions will not escalate. Any further increase in tensions, which may occur, for example, if high-level contacts break down or military hostilities occur, could harm our business, financial condition and results of operations.

Our results of operations could be affected by risks associated with the exchange rate fluctuations of the Korean Won.

We currently operate our operating subsidiary in Korea that maintains a substantial portion of our cash in Korean won and we make investments in Korean won denominations. Our results of operations, which will be accounted for in U.S. dollars, will therefore be affected by risks associated with the exchange rate fluctuations concerning the Korean won.

Furthermore, we cannot assure you that the value of the Korean won will not decline, increase or continue to fluctuate against the U.S. dollar. Adverse economic conditions in Korea and the region may have an adverse effect on us. Fluctuations of the value of the Korean won relative to the U.S. dollar may cause us to recognize material foreign exchange losses which could adversely affect our results of operations and financial condition.

Possible Future Dilution of Our Stock.

We may raise additional funds through the issuance of equity, equity-related or convertible debt securities. The issuance of additional common stock will dilute existing stockholders. We may issue securities with rights, preferences or privileges senior to those of the rights of our common stock and our stockholders may experience additional dilution.

Investors in our shares will probably not derive any profits from dividends.

We have never paid a cash dividend on our Common Stock and do not anticipate paying cash dividends on our Common Stock in the near future. We believe it is better for us to to retain earnings, if any, to fund growth and expansion. Any payment of cash dividends of our Common Stock in the future will be dependent upon our financial condition, results of operations, current and anticipated cash requirements, plans for expansion, as well as other factors our Board of Directors deems relevant.

ITEM 2. DESCRIPTION OF PROPERTIES.

The Company maintains its principal executive office at Buk-ri 35, Nama-Myun, Yongin City, Gyeonggi-do, Republic of Korea. That space is leased by the Company under a lease which expires November 5, 2006 at a rate of $2,785 per month. After the lease agreement is expires on November 5, 2006, the Company intends to move its headquarters and research and development center to the new office which was purchased by company and is under construction. The Company also owns the following plant and manufacturing facility which is located in Yongin Korea.

Location	Type	Principal use	Size	Ownership	Lease Expiration
Soowon Korea	Office	HQ R&D Marketing	368 m2	Leased	Nov 5, 2006
Yongin Korea	Office, Plant	Manufacturing	8,373 m2	Purchased with Loan	

The Yongin manufacturing facility was acquired by the Company as a purchase, and as of December 31, 2005 the following debt related to that facility remains in place:

Bank	Amount ($)	Interest	Maturity
Kiup Bank	1,500,000	3.5	March 15. 2012
Kiup Bank	2,800,000	4.4	May 17. 2012

The Company believes its existing facilities and equipment are well maintained and in good operating condition. The Company has invested in internal capacity and strategic relationships with outside manufacturing vendors, and therefore believes it has adequate manufacturing capacity for the foreseeable future.

ITEM 3. LEGAL PROCEEDINGS.

Miracle Progress International vs. S-Cam Co., Ltd. and TMP telecom.

Plaintiff Miracle Progress International filed in the Seoul District Court in Korea alleging compensation for damage amounting to $200 million USD against S-Cam Ltd and TMP Telecom. The three companies entered into an agreement to launch a GSM phone business on which the Company is in charge of manufacturing, and TMP telecom is in charge of design and development, with the Plaintiff charged with marketing. Plaintiff claims damages in marketing and sales because of quality defects in manufacturing. The Company asserted the defect was the result from the design, not quality control. The final decision has not been made. The Company is vigorously defending this lawsuit.

TMP Telecom against S-Cam Co., Ltd. and Miracle Progress International

Plaintiff TMP Telecom filed in the Seoul District Court in Korea region alleging compensation for the development cost of a GSM phone design amounting to $200,000 USD against S-Cam Ltd and Miracle Progress International. The Company has asserted that the design and development of Plaintiff caused the defect of products and ruined the business. The final decision has not been made. The Company is vigorously defending this lawsuit.

Information Tele-communication Company("ITC") against S-Cam Co., Ltd.

Plaintiff Information Tele-communication Company filed in the Suwon District Court in Korea alleging compensation for damages amounting to $221,932 USD against the Company. Plaintiff claimed the Company did not purchase parts after placing the order. The Company asserted the Plaintiff did not keep the delivery date and failed to meet the payment condition that a Letter of Credit be tendered. The final decision has not been made. The Company is vigorously defending this lawsuit.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

On November 1, 2005, the Company received consents from shareholders holding a majority interest in its shares effectuating the following matters:

1. Changing the name of the Company from Netmeasure Technology, Inc. to Sorell, Inc.

2. To elect Bon Kwan Koo, Seung Nam Yang and Ho Yu as directors of the Company.

The Company prepared and mailed to all of its shareholders an information statement reflecting this action.

PART II.

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

Overview

The Company's Common Stock is currently quoted on the NASD Over-the-Counter Electronic Bulletin Board (OTCBB) under the trading symbol "SLII". The following table sets forth the highest and lowest bid prices for the Common Stock for each calendar quarter for the year 2005 as reported by the National Quotation Bureau. Such quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission, and may not necessarily represent actual transactions.

	HIGH BID	LOW BID
Fiscal 2005		
First Quarter	.125	.115
Second Quarter	.30	.14
Third Quarter	1.50	.27
Fourth Quarter	1.55	1.03
Fiscal 2004		
First Quarter	.45	.10
Second Quarter	.45	.11
Third Quarter	.45	.115
Fourth Quarter	.13	.11

The Company presently is authorized to issue 100,000,000 shares of Common Stock and no Preferred Stock, of which 29,539,900 Common shares were outstanding as of December 31, 2005.

Holders

There were approximately 174 holders of record of the Company's Common Stock as of December 31, 2005. The Company's stock is publicly traded and as a consequence there are many additional street name holders of its common stock.

Dividends

The Company has not declared or paid cash dividends on its Common Stock since its inception and does not anticipate paying such dividends in the foreseeable future. The Company plans to retain any future earnings for use in developing and operating the Company's business.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS.

THE FOLLOWING INFORMATION SHOULD BE READ IN CONJUNCTION WITH THE CONSOLIDATED FINANCIAL STATEMENTS OF SORELL, INC. AND THE NOTES THERETO APPEARING ELSEWHERE IN THIS FILING. STATEMENTS IN THIS MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION AND ELSEWHERE IN THIS REGISTRATION STATEMENT THAT ARE NOT STATEMENTS OF HISTORICAL OR CURRENT FACT CONSTITUTE "FORWARD-LOOKING STATEMENTS."

The following management discussion should be read together with the Sorell, Inc. financial statements included in this annual report. See "Index to Financial Statements" at page F-1. Those financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") of the United States of America.

General Overview

Sorell, Inc. ("Sorell" or "the Company") is in the business of manufacturing, research and development of, and sales of consumer electronics. Sorell's product line includes mobile phones, MP3 players, MP3 CD Players, Portable Media Players ("PMPs"), mobile cameras and other devices.

Sorrell was established in October 1998 as a spin-off of the DVS production department from Samsung Electronics. This unit, which was responsible for producing Samsung camcorders, was born again as S-CAM, which was responsible for manufacturing Samsung Electronics products as an Electronics Manufacturing Services ("EMS") provider.

Beginning in 2001, the Company started producing products for companies other than Samsung electronics as an EMS provider. In August, 2002, the Company began producing and selling its own products under the "Sorell" brand name. In 2004, we restructured our business model in response to a slow-down in the EMS market, deciding to work only on EMS projects for stable, well-capitalized companies that would not expose the company to significant risks, such as non-payment or shoddy design. In 2005, we shed our EMS business altogether and began to concentrate almost exclusively on our "Sorell" brand products.

Going Concern

The Company's consolidated financial statements are presented on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the ordinary course of business. The Company has experienced recurring losses since inception that raise substantial doubt as to its ability to continue as a going concern. For the years ended December 31, 2005 and 2004, the Company experienced net losses of $11,285,886 and $760,040, respectively, and has a negative working capital of $7,658,753 for 2005.

The Company's ability to continue as a going concern is contingent upon its ability to secure additional financing, continuing sales of its products and attaining profitable operations.

Management of the Company is pursuing various sources of equity financing in addition to increasing its sales base. During the year, the Company shifted its primary focus to the production of goods under its own brand name "Sorell." Subsequent to the year end, the company entered into two major contracts for sales of its GPS and NF1 products to China and Europe for a total of $21.9 million. Although the Company has plans to pursue additional financing there can be no assurance that the Company will be able to secure financing when needed or obtain such on terms satisfactory to the Company, if at all.

Critical Accounting Policies

The accounting policies of the Company are in accordance with generally accepted accounting principles of the United States of America, and their basis of application is consistent. The following are policies the Company considers particularly significant:

Basis of Financial Statement Presentation

The Company's financial statements have been prepared in conformity with accounting principles generally accepted in the United States with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

Basis of Consolidation

The acquisition of S-Cam Co., Ltd. by the Company has been recorded as a recapitalization of the Company, with the net assets of the Company and S-Cam brought forward at their historical basis. The intention of management of S-Cam was to acquire the Company as a shell company listed on the Over-the-Counter Bulletin Board. Management does not intend to pursue the business of Netmeasure. As such, it is appropriate to account for the merger as the recapitalization of the Company.

Minority interests are recorded to the extent of their equity. Losses in excess of minority interest equity capital are charged against the majority interest and will be reversed when the losses reverse.

Unit of Measurement

The Company uses the US Dollar as the unit of measurement in the Company's financial statements.

Use of Estimates

Preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financials statements and related notes to the financial statements. These estimates are based on management's best knowledge of current events and actions of the Company may undertake in the future. Actual results may ultimately differ from estimates, although management does not believe such changes will materially affect the financial statements in any individual year.

Revenue Recognition

The Company generates revenues from sales of manufactured goods and merchandise, as well as subcontracted processing and assembly of goods.

Revenues from products sales and processing are recognized, in accordance with Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements" ("SAB No. 101"), when delivery has occurred provided there is persuasive evidence of an agreement, the fee is fixed or determinable and collection of the related receivable is probable.

Provision for Warranty

The Company accounts for estimated warranty costs relating to the Company's "Sorell" brand products during the warranty period of one year. Estimated costs of product warrants are charged to current operations at the time of sale and are included in the balance sheet as part of accounts payable.

Currency Translation

The Company's functional currency is Korean Won. Adjustments to translate these statements into U.S. dollars at the balance sheet date are recorded in other comprehensive income.

Foreign currency transactions of the Korean operation have been translated to Korean Won at the rate prevailing at the time of the transaction. Balance sheets items recorded in foreign currencies have been translated to Korean Won at the year end rate. Realized foreign exchange gains and losses have been charged to income in the year realized.

Cash and Equivalents

Highly liquid investments with maturities of three months or less when purchased are considered cash equivalents and recorded at cost, which approximates fair value.

Loss per Common Share

The Company calculates net loss per share based on SFAS No. 128, "Earnings Per Share." Basic loss per share is computed by dividing net loss attributable to the common stockholders by the weighted average number of common shares outstanding. Fully diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

Comprehensive Income

The Company has adopted SFAS No. 130, "Reporting Comprehensive Income." SFAS No. 130 establishes the standards for reporting and presentation of comprehensive income and its components in a full set of financial statements. Comprehensive income is presented in the statements of stockholders' deficit, and consists of net income and unrealized gains (losses) on: available-for-sale, marketable securities; foreign currency translation adjustments and changes in market value of future contracts that qualify as a hedge; and negative equity adjustments recognized in accordance with SFAS No. 87. SFAS No. 130 requires only additional disclosures in the financial statements and does not affect the company's financial position or results of operations.

Properties and Equipment

Properties and equipment are stated at cost. We capitalize major renewals and betterments, and expense the costs of repairs and maintenance as they ocurr. We compute depreciation according to the following recovery periods and depreciation methods:

Buildings	40 years	Straight line
Leasehold improvements	2 years	Straight line
Machinery	6 years	Declining balance
Tools and equipment	6 years	Declining balance
Vehicles	6 years	Declining balance
Furniture and fixtures	6 years	Declining balance

Inventories

Inventories are stated at the lower of cost or net realizable value. Net realizable value is selling price minus selling expenses.

Investments

Investments in available-for-sale securities are recorded in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities". Equity securities that are not held principally for the purpose of selling in the near term are reported at fair market value with unrealized holding gains and losses excluded from earnings and reported as a separate component of stockholders' equity.

Financial Instruments

The fair values of cash equivalents, short-term and long-term investments, and short-term debt are their approximate costs. The estimated fair values of other financial instruments, including debt, equity and risk management instruments, have been determined using market information and valuation methodologies, primarily discounted cash flow analysis. These estimates require considerable judgment in interpreting market data, and changes in assumptions or estimation methods could significantly affect the fair value estimates.

Recent Accounting Pronouncements

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs - an amendment of ARB No. 43, Chapter 4" (SFAS No. 151). This statement amends the guidance in ARB No. 43, Chapter 4, "Inventory Pricing," to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage). SFAS No. 151 requires that those items be recognized as current-period charges. In addition, this Statement requires that allocation of fixed production overhead to the costs of conversion be based on the normal capacity of the production facilities. The provisions of SFAS No. 151 are effective for inventory costs incurred in fiscal years beginning after June 15, 2005. We do not expect SFAS No. 151 to have a significant impact on our financial statements.

In May 2005, the FASB issued Statement No. 154, Accounting Changes and Error Corrections - A Replacement of APB Opinion No. 20 and FASB Statement No. 3 (SFAS No. 154). SFAS No. 154 changes the requirements for the accounting for and reporting of a change in accounting principle. It requires retrospective application of any change in accounting principle to prior periods' financial statements. SFAS No. 154 is effective for the first fiscal period beginning after December 15, 2005. We do not expect SFAS No. 154 to have a significant impact on our consolidated financial statements.

Results of Operations

Fiscal year ended December 31, 2005 compared to fiscal year ended December 31, 2004

During the fiscal year ended December 31, 2005, the Company continued its intention to grow as a specialized company in manufacturing information and technology products, as it has since its incorporation in 1998. However, during the year the Company changed its business model for accomplishing this growth, eliminating its production of products as an Electronics Manufacturing Services ("EMS") provider for other companies, and instead focusing on the development and sales of its own "Sorell" brand product. In 2002, the Company had established a research and development center with the intention to develop our own products and improve overall profitability. The Company invested $1,572,220 in research and development in the fiscal year ended December 31, 2004 and $1,541,317 in the fiscal year ended December 31, 2005. As a result of this considerable investment in research and development activity, the Company succeeded in the development of its own products, including CD players, MP3 players and PMP (Portable Multimedia Player) products and sales directly through "Sorell" as a name brand in the market.

In the aspect of business structure and overall environment in 2004, the Company realized $111,228,815 of total revenues, consisting of $102,876,109 of EMS sales and $7,666,556 of "Sorell" brand sales, which consequently reflects a substantial dependency for the Company upon its EMS business. This EMS business in fiscal 2004 primarily consisted of GSM mobile phones (61%) and MP3 player and other multi-media products(39%).

The Company realized, however, that business structure which had historically focused on EMS had shown a high volume of sales, but relatively low profitability. Particularly during the second half fiscal 2004, the Company experienced a significant downward momentum in the price of GSM phones, other losses through inefficiencies in production and increased and severe competition in the market. The Company therefore determined to undertake an aggressive business restructuring towards a self-brand-oriented operation and marketing based on strong confidence in the quality of its own products.

As a direct result of this restructuring, total sales revenue during the fiscal year ended December 31, 2005 was $41,619,260, a decrease of approximately 63% as compared to the fiscal year ended December 31, 2004. This decrease is primarily due to the Company's move out of the EMS business and into the branded product business. Other causes of this decrease include a drop in the price of MP3 players, an increase of unclaimed warranty claims in commissioned production, delay of stored materials and an increase in store budgets.

The Company's operating loss in 2005 was $11,396,453 as compared to an operating loss of $1,561,715 during the fiscal year ended December 31, 2004. We attribute approximately $4 million of this loss to the discontinued operation of the Company's GSM phone manufacturing with low profitability, as well as disposition of unused inventories including raw materials. We attribute a further $3 million to the falling price of MP3 players, due to the efforts of larger competitors and the introduction of Apple's iPod to the domestic market in Korea. These results reflect the Company's plan to revive as a profitable company in the future. In addition, the Company reduced its employees by approximately 35% and executed a cost-saving plan to reduce approximately 30% of indirect expenses. The restructuring has resulted in profit margin improvement from 1.4% in 2004 to 27% in 2005.

Although we reduced revenues in our restructuring, our operating expenses actually increased to $7,708,071 during the fiscal year ended December 31, 2005 from $5,670,830 during the fiscal year ended December 31, 2004. This increase is substantially attributable to an increase in bad debts written off through our restructuring, increased professional fees, and increased advertising of our "Sorell" brand name. We also had $772,363 in warrant expenses related to our products which was virtually non-existent in fiscal year 2004, amounting to $23,211.

Our operating loss includes $300,271 attributable to non-recurring expenses directly from forgiveness of shareholder advances and payables, as well as expenses related to shares issued to parties in our share exchange. These expenses were non-cash costs and will not have any impact on our cash flow or future operations.

Product Development

GPS

The Compnay launched NF-1 to the world at the 2005 Consumer Electronics Show in Las Vegas. Through the show, the Company entered into a contract with Audiovox for which the Company anticipates shipping from May 2006. The Company also entered into a contract with Anubis in Germany for 100,000 units throughout the 2006 year as well as a contract with Changhung in China for 50,000 units. The Company's NF-1 has 2.2" color LCD supporting navigation, MP3, MP4, FM radio, voice recording, and other software applications.

PMP

The Company launched its SV-10 device in January 2005. We supplied this product to Support Plus in Germany under their brand name. We also supplied the SV-15 to Grundig in Germany during the third quarter of 2005 and to our own domestic markets, recording the third rank of market share in Korea. Our PMP product has substantial differentiating features and quality from other Korean PMP products.

MP3 player

We launched our SF-3000 MP3 player with MP4 support utilizing our advanced technology and quality. We were not aware of any other MP3 player supporting MP4 files at that time. This product was not as successful as we had predicted due to low brand power. With the launch of our SF-3500 product, we started an agreement to supply that product to Creative.

Through the end of fiscal 2005, we supplied 70,000 units of this product to Asia, Europe, and Russia under the Creative brand name.

<u>Liquidity and Capital Resources</u>

Sorell has been in operation since October 1998 to manufacture and sell consumer electronic products. The Company has consistently had revenue growth until 2004, when the Company undertook a substantial restructuring of its operations.

As with most large manufacturing operations, Sorell is dependent on substantial bank loans to support its equipment, plants and other operations. These loans are $11,992,170 total current loans payable and $4,252,700 long term loans payable as at December 31, 2005.

Current Loans Payable

Sorell's current loans payable for 2004 and 2005 are as follows:

Bank Name	Interest	Maturity Date	2005	2004
The Export-Import Bank of Korea	Libor + 1.25%	August 20, 2005	$ -	$ 155,387
The Export-Import Bank of Korea	Libor + 1.52% to 1.80%	March 5 to June 9, 2005	-	673,402
Korea First Bank	5.41%	December 17, 2005	-	975,000
Industrial Bank of Korea	5.70%	October 20, 2006	791,200	-
The Export-Import Bank of Korea	Libor # 1.17%	May 18, 2006	1,979,100	1,852,500
City Bank	5.95%	May 28, 2006	3,773,035	4,350,450
Shinhan Bank	5.60^	February 4, 2006	892,304	1,491,802
Korea Exchange Bank	5.53%	January 28 to March 29, 2006	1,570,088	1,526,736
Hana Bank	5.71%	March 21, 2006	593,400	-
Hana Bank	6.58% to 7.01%	November 6, 2006	345,011	-
Jo Hung Bank	6.00%	March 26, 2006	1,186,800	-
Letters of Credit			961,232	2,504,000
			$11,992,170	$13,529,277

The current loans are payable monthly, interest only, and are secured as follows:

The Export-Import Bank of Korea loan of $1,879,000 is guaranteed by the Korea Technology Credit Guarantee Fund up to $964,275.

The City Bank loan of $3,773,035 is guaranteed by the Korea Credit Guarantee Fund up to $2,781,068 and the balance is secured by a term deposit of $494,500.

The Shinhan Bank loan of $892,304 is guaranteed by the Korea Technology Credit Guarantee Fund up to $766,895.

The Korea Exchange Bank loan of $1,570,088 is guaranteed by the Korea Technology Credit Guarantee Fund up to $1,345,040.

The Hana Bank loan of $593,400 is guaranteed by a second lien on the Company's land and building with a carrying value of $5,506,362.

The Hana Bank loan of $345,011 is guaranteed by a term deposit of $4,100.

The Jo Hung Bank loan of $1,186,800 is guaranteed by a term deposit of $138,460.

Letters of Credit with various banks are guaranteed by the Korea Credit Guaranteed Fund up to $1,348,780.

The Industrial Bank of Korea loan of $791,200 is unsecured.

Long Term Loans Payable

The Company has two long term loans payable as follows:

Bank Name	Interest	2005	2004
Industrial Bank of Korea	3.5% to 4.4%	$4,252,700	4,192,930
		-	
Hana Bank	0%	-	170,081
		$4,252,700	**$4,363,011**

The Industrial Bank of Korea loans are payable quarterly, interest only for the first three years of the term. Principal and interest will be payable quarterly, commencing in 2007, for the balance of the term. The loans will mature March and May of 2012. The loans are guaranteed by a first charge of the land and building with a carrying value of $5,506,362.

The Hana Bank loan was payable quarterly, interest only, and matured on November 6, 2005. The loan was guaranteed by Korea Development Corporation.

Sorell believes that it will be able to continue satisfying its cash and other capital requirements through continued additional bank financing. However, there is no written or otherwise commitment from any such bank to provide any additional cash to the Company beyond what has already been provided. The Company may need to seek financings in addition to its existing bank financing to grow and support its current operations. The Company will also seek additional financing for potential acquisitions.

Capital Stock

On October 4, 2005, in accordance with a Share Exchange Agreement between the Company and S-Cam Co. Ltd., a Korean entity, the Company exchanged 23,305,000 newly issued shares for 78.8% of the issued and outstanding common stock of S-Cam. All of the shareholders of S-Cam were Korean residents. This issuance was completed without any public offering in accordance with Rule 901 of Regulation S under the Securities Act of 1933, as amended. Also effective October 4, 2005, the Company issued 845,000 shares of common stock to a limited number of other parties and entities in connection with the agreements entered into in March 2005 under the Share Exchange Agreement. This issuance was completed without any public offering in accordance with Section 4(2) of the Securities Act of 1933, as amended.

Effective July 11, 2005, the Company agreed to issue 50,000 shares to Cutler Law Group in consideration for legal services. This issuance was completed without any public offering in accordance with Section 4(2) of the Securities Act of 1933, as amended.

Foreign currency

Sorell prepares its financial statements using United States dollars as the reporting currency. However, most transactions are conducted in Korean currency, Won, which is the functional currency in Korea. Transactions in Won are translated into United States dollars as the financial reporting currency. Foreign currency transactions are translated at the applicable rates of exchange prevailing at the dates of the transactions. We denominate assets and liabilities at applicable rates prevailing at the balance sheet date.

Currently, the exchange rate of Won to United States dollars is relatively stable and Sorell does not expect any major fluctuation in the currency rate, which would affect the comprehensive income result of exchange gains and losses.

Forward-Looking Statements

The foregoing Management's Discussion and Analysis or Plan of Operation may contain "forward looking statements" within the meaning of Rule 175 under the Securities Act of 1933, as amended, and Rule 3b-6 under the Securities Act of 1934, as amended, including statements regarding, among other items, the Registrant's business strategies, continued growth in the Registrant's markets, projections, and anticipated trends in the Registrant's business and the industry in which it operates. The words "believe," "expect," "anticipate," "intends," "forecast," "project," and similar expressions identify forward-looking statements. These forward-looking statements are based largely on the Registrant's expectations and are subject to a number of risks and uncertainties, certain of which are beyond the Registrant's control. The Registrant cautions that these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward looking statements, including, among others, the following: reduced or lack of increase in demand for the Registrant's products, competitive pricing pressures and the level of expenses incurred in the Registrant's operations. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained herein will in fact transpire or prove to be accurate. The Registrant disclaims any intent or obligation to update "forward looking statements."

ITEM 7. FINANCIAL STATEMENTS

Set forth below.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Effective October 4 2005, Sorell terminated its prior accounting firm, Amisano Hanson, Chartered Accountants, Vancouver, Canada as its accounting firm and engaged SF Partnership LLC, Toronto, Canada.

Amisano Hanson's reports on the Registrant's financial statements for the past two years have been qualified as to whether the Company would continue as a going concern.

During the two most recent fiscal years there have been no disagreements between the Company and Amisano Hanson on any matter of accounting principles or practices, financial statement disclosure or auditing scope of procedure, which disagreements, if not resolved to the satisfaction of Amisano Hanson, would have caused them to make reference to the subject matter thereof in their report on the Registrant's financial statements for such periods.

During the two most recent fiscal there have been no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K.

The Company engaged SF Partnership LLC, Toronto, Canada, as its new independent accountants and who have provided the audit of the financial statements for this Annual Report on Form 10-KSB.

ITEM 8a. CONTROLS AND PROCEDURES.

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"), as of December 31, 2005, the Company carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of the Company's management, including the Company's Chairman (who has served as the principal financial and accounting officer) and its President and CEO (who serves as the principal operating officer). Based upon that evaluation, the Company's Chairman and President have concluded that the Company's disclosure controls and procedures are effective in alerting them to material information regarding the Company's financial statement and disclosure obligation in order to allow the Company to meet its reporting requirements under the Exchange Act in a timely manner.

The Company's management, with the participation of its chief executive officer and chief financial officer, has determined that there has been no change in the Company's internal control over financial reporting that occurred during the Company's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART III.

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS AND COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT.

Directors and Executive officers

The following table sets forth the names and ages of our current directors and executive officers, their principal offices and positions and the date each such person became a director or executive officer. The Board of Directors elects our executive officers annually. Our directors serve one-year terms or until their successors are elected and accept their positions. The executive officers serve terms of one year or until their death, resignation or removal by the Board of Directors. There are no family relationships or understandings between any of the directors and executive officers. In addition, there was no arrangement or understanding between any executive officer and any other person pursuant to which any person was selected as an executive officer.

Name	Position	Age	Education	Work Experience
Bon Kwan Koo	Chief Executive Officer & President	54	Hanyang University, in Seoul, Korea	Chief Officer in the Multi-Media department with Samsung Electronics in Korea from 1976 until 1998; joined S-Cam in 1998 to present
Seung Nam Yang	Chief Financial Officer	45	Samil College in Seoul Korea	Manager in the Administrative Department with Samsung Electronics from 1978 until 1998, joined S-Cam in 1998 to present
Ho Yu	Chief Technical Officer	45	Incheon University In Incheon Korea	Manager in the research and development and quality control department of Samsung Electronics from 1984 until 1998; joined S-Cam in 1998 to present

Compliance with Section 16(a) of the Exchange Act.

Section 16(a) of the Securities Exchange Act of 1934 requires executive officers and directors, and persons who beneficially own more than 10% of any class of the Registrant's equity securities to file initial reports of ownership and reports of changes in ownership with the Securities and Exchange Commission ("SEC"). Executive officers, directors and beneficial owners of more than 10% of any class of the Registrant's equity securities are required by SEC regulations to furnish the Registrant with copies of all Section 16(a) forms they file.

Based solely on a review of the copies of such forms furnished to the Registrant during or with respect to fiscal 2005, and certain written representations from executive officers and directors, the Registrant is aware that each such reporting person inadvertently failed to file a Form 3 at the time the Registrant became registered under Section 12 of the Exchange Act. Such forms have now been prepared and filed.

ITEM 10. EXECUTIVE COMPENSATION SALARY AND OPTIONS.

Summary Compensation Table

The following table sets forth the total compensation paid to or accrued, during the fiscal years ended December 31, 2005 and 2004 to Sorell, Inc.'s highest paid executive officers. No restricted stock awards, long-term incentive plan payout or other types of compensation, other than the compensation identified in the chart below, were paid to these executive officers during these fiscal years.

Name and Position	**YEAR**	**Annual Compen-sation Salary ($)**	**Annual Compen-sation Bonus ($)**	**Other Annual Compen-sation**	**Compen-sation Restricted Stock**	**Long Term Compen-sation Options**	**LTIP Payouts**	**All Oth** (1)
Bon Kwan Koo, Chief Executive Officer and President	2003 2004 2005	$ 86,645 $138,307 $106,500	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
Seung Nam Yang, Chief Financial Officer	2003 2004 2005	$54, 586 $92,000 $67,750	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
Ho Yu, Chief Technical Officer	2003 2004 2005	$38,430 $56,000 $42,126	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL

(1) All other compensation includes health insurance and life insurance plans or benefits, car allowances, etc. The Company may omit information regarding group life, health, hospitalization, medical reimbursement or relocation plans that do not discriminate in scope, terms or operation, in favor of executive officers of directors of the registrant and that are available generally to all salaried employees.

LTIP: "Long-Term Incentive Plan" means any plan providing compensation intended to serve as incentive for performance to occur over a period longer than one fiscal year, whether such performance is measured by reference to financial performance of the Company or an affiliate, the Company's stock price, or any other measure, but excluding restricted stock, stock option and Stock Appreciation Rights (SAR) plans.

The Company has no Long-Term Incentive Plan and has made no Long-Term Incentive Plan payouts The Company has granted no bonuses to any of its employees since inception.

Stock Option Grants

As of the date hereof, the Company has not made any stock option grants to any of its officers, directors or employees.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The following table shows the beneficial ownership of Sorell, Inc. common stock as of December 31, 2005. The table shows each person known to us who owns beneficially more than five percent of the outstanding common stock of Sorell, Inc. based on 29,539,900 shares being outstanding as of December 31, 2005, and the total amount of common stock of Sorell, Inc. owned by each of its Directors and Executive Officers and for all of its Directors and Executive Officers as a group.

IDENTITY OF PERSON OR GROUP	ACTUAL AMOUNT OF SHARES OWNED	ACTUAL PERCENT OF SHARES OWNED	CLASS
Bon Kwan Koo Buk-ri 35, Nama-Myun, Yongin City, Gyeonggi-do Republic of Korea	6,491,060	22.0%	Common
Seung Nam Yang Buk-ri 35, Nama-Myun, Yongin City, Gyeonggi-do Republic of Korea	1,046,945	3.5%	Common
Ho Yu Buk-ri 35, Nama-Myun, Yongin City, Gyeonggi-do Republic of Korea	676,327	2.3%	Common
Officers and Directors as a Group (three persons)	8,214,332	27.8%	Common

Beneficial Ownership of Securities: Pursuant to Rule 13d-3 under the Securities Exchange Act of 1934, involving the determination of beneficial owners of securities, includes as beneficial owners of securities, any person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has, or shares, voting power and/or investment power with respect to the securities, and any person who has the right to acquire beneficial ownership of the security within sixty days through means including the exercise of any option, warrant or conversion of a security.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

During the past two (2) years, the Company has not entered into a transaction with a value in excess of $60,000 with a director, officer or beneficial owner of 5% or more of the Company's Common Stock.

PART IV.

ITEM 13. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

Exhibits

The following exhibits are filed as part of this registration statement:

3.1 Articles of Incorporation of Powertech, Inc.*

3.2 Articles of Amendment to Articles of Incorporation changing name to Netmeasure Technology, Inc.*

3.3 Articles of Amendment to Articles of Incorporation of Netmeasure Technology, Inc. changing name to Sorell, Inc.

3.4 Articles of Organization of S-Cam Co., Ltd.***

3.5 By-laws*

10.1 Reorganization and Stock Purchase Agreement dated as of July 12, 2005 between the Company (then Netmeasure Technology, Inc.) and S-Cam Co., Ltd.**

10.2 Mutual Nondisclosure Agreement and Business Agreement dated as of September 21, 2005 between S-Cam Co., Ltd. and ANUBIS Electronic Gmbh***

10.3 Public Relations Agreement dated as of November 1, 2005 between the Company and Martin E. Janis & Company.***

10.4 Letter Agreement dated February 2, 2006 between the Company and New York Global Securities***

10.5 Pro Forma Invoice and Sales Agreement dated July 6, 2006 between S-Cam Co., Ltd. and Creative Technology, Ltd.

10.6 License Agreement dated February 4, 2005 between S-Cam Co., Ltd and Ingenient Technologies

10.7 License Agreement dated May 12, 2005 between S-Cam Co., Ltd. and Sisvel

10.8 License Agreement dated August 1, 2005 between S-Cam Co., Ltd and Microsoft Corporation***

10.9 Loan Agreement with The Export-Import Bank of Korea

10.10 Loan Agreement with The Export-Import Bank of Korea

10.11 Loan Agreement with Korea First Bank

10.12 Loan Agreement with Industrial Bank of Korea

10.13 Loan Agreement with The Export-Import Bank of Korea

10.14 Loan Agreement with City Bank

10.15 Loan Agreement with Shinhan Bank

10.16 Loan Agreement with Korea Exchange Bank

10.17 Loan Agreement with Hana Bank

10.18 Loan Agreement with Hana Bank

10.19 Loan Agreement with Jo Hung Bank

10.20 Loan Agreement with Industrial Bank of Korea

10.21 Loan Agreement with Hana Bank***

10.22 Office Lease

21. Subsidiaries: S-Cam Co., Ltd., a Korean corporation

31.1 Chief Executive Officer certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Chief Financial Officer certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1 Chief Executive Officer certification pursuant to 18 U.S.C. Section 1350

32.2 Chief Financial Officer certification pursuant to 18 U.S.C. Section 1350

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* Previously filed with the Company's Registration Statement on Form 10-SB, file number 0-27675, filed on October 15, 1999.

** Previously filed with the Company's filing on Form 8-K filed on July 27, 2005.

*** To be filed by Amendment.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The following is a summary of the aggregate fees billed to Registrant by its principal accountant(s) for professional services rendered for the fiscal years ended December 31, 2005 and 2004.

Fee Category	Fiscal 2005 Fees ($)	Fiscal 2004 Fees ($)
Audit Fees [1]	82,387	10,108
Audit-Related Fees [2]	0	0
Tax Fees [3]	0	0
All Other Fees [4]	0	5,824
Total Fees	82,387	15,932

1. *Audit Fees.* Consists of fees billed for professional services rendered for the audits of Registrant's financial statements for the fiscal years ended December 31, 2005 and 2004, and for review of the financial statements included in Registrant's Quarterly Reports on Form 10-QSB for those fiscal years.

2. *Audit-Related Fees.* Consists of fees billed for services rendered to Registrant for audit-related services, which generally include fees for audit and review services in connection with a proposed spin-off transaction, separate audits of employee benefit and pension plans, and ad hoc fees for consultation on financial accounting and reporting standards.

3. *Tax Fees.* Consists of fees billed for services rendered to Registrant for tax services, which generally include fees for corporate tax planning, consultation and compliance.

4. *All Other Fees.* Consists of fees billed for all other services rendered to Registrant, which generally include fees for consultation regarding computer system controls and human capital consultations. No services were performed related to financial information systems design and implementation for the fiscal years ended December 31, 2005 and 2004.

None of the "audit-related," "tax" and "all other" services in 2004, as defined above, were approved by the Audit Committee in reliance on the de minimus exception to the preapproval requirements under federal securities laws and regulations.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SORELL, INC
Registrant

By /s/ Bon Kwan Koo
Bon Kwan Koo, President
April 15, 2006

By: /s/ Seung Nam Yang
Seung Nam Yang, Chief Financial Officer
April 15, 2006

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

Signature	Title	Date
/s/ Bon Kwan Koo Bon Kwan Koo	Chief Executive Officer, (Principal Executive Officer), Director	April 15, 2006
/s/ Seung Nam Yang Seung Nam Yang	Chief Financial Officer (Principal Financial and Accounting Officer), Director	April 15, 2006
/s/ Ho Yu Ho Yu	Director	April 15, 2006